



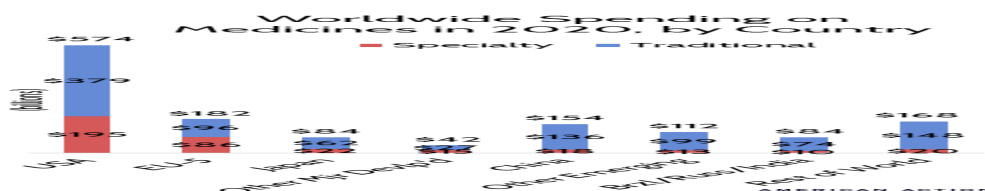
Weekly Checkup

Worldwide Spending on Medicines Will Reach \$1.4 Trillion in 2020

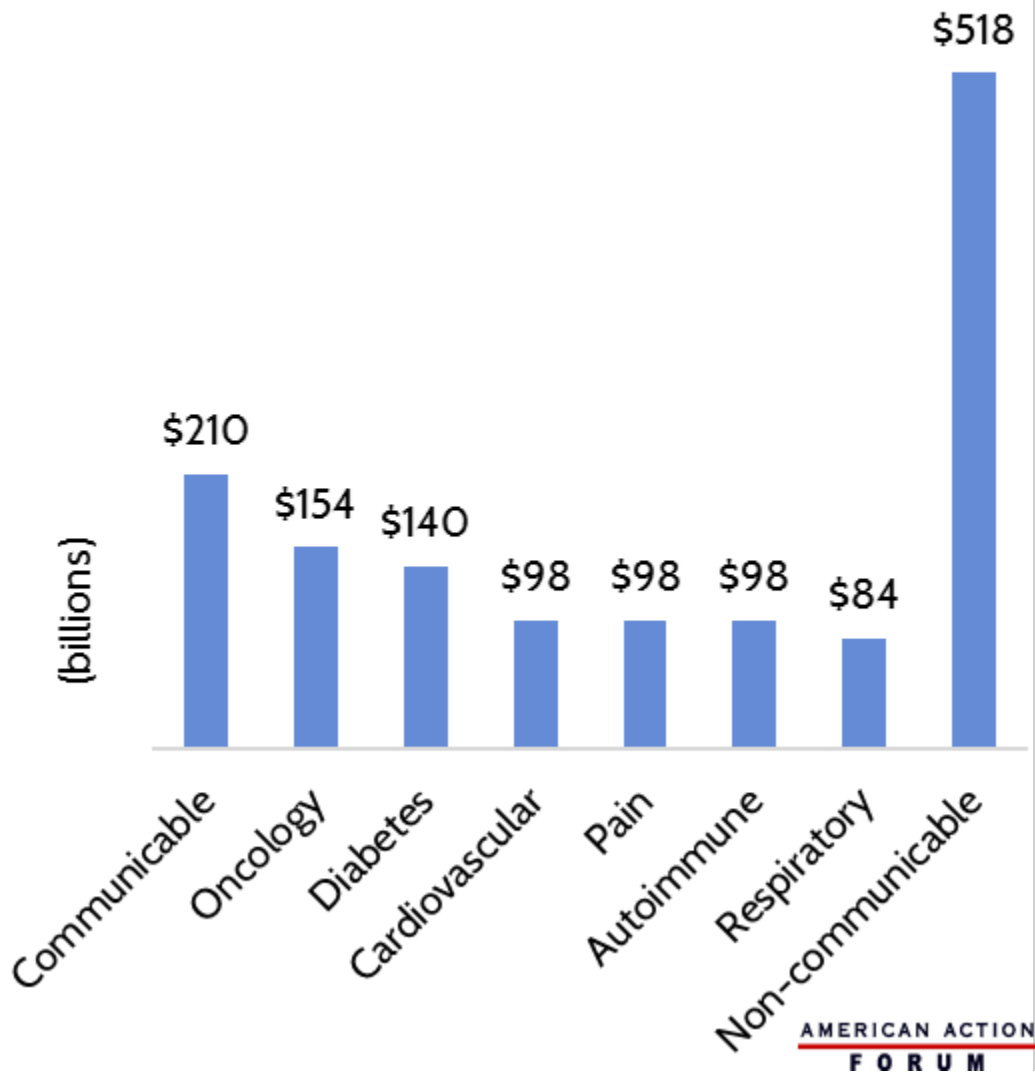
TARA O'NEILL HAYES | NOVEMBER 18, 2015

Spending on medicine across the globe is expected to reach \$1.4 trillion in 2020, according to a new [report](#) from the IMS Institute for Healthcare Informatics. The growth in spending over the next five years (29-32 percent) is expected to slow slightly from the five years prior to 2015 in which global spending on medicines increased 35 percent. The U.S. will account for 41 percent of spending on medicines worldwide. Specialty medicines will account for 28 percent of all drug spending in 2020, more than one-fourth of which will be for oncology medicines which will make up the majority of new medicines. However, most of the spending on specialty drugs will occur in developed markets, which will spend, on average, three times as much of their drug expenditures on specialty products compared with “pharmerging” markets.^[1] In 2014, the U.S. spent \$124.1 billion (33 percent) on specialty drugs, the biggest driver of which was for curing Hepatitis C.^[2] More will be spent on treating non-communicable diseases in 2020 worldwide than will be spent treating communicable diseases, cancer, and diabetes combined.

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Worldwide Spending on Medicines in 2020, by Disease



[1] “Pharmerging” countries are defined as those >\$1 billion absolute spending growth over 2014-18 and which have GDP per capita of less than \$30,000 purchasing power parity. Such countries include: China, Brazil, India, Russia, Algeria, Argentina, Bangladesh, Chile, Colombia, Egypt, Indonesia, Kazakhstan, Mexico, Nigeria, Pakistan, Philippines, Poland, S. Africa, Saudi Arabia, Turkey, and Vietnam.